

Form <b>PTO-1594</b> (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings    ⇒    ⇒    ⇒    ▼    ▼    ▼    ▼    ▼    ▼    ▼		<b>RECORDATION FORM COVER SHEET</b> <b>TRADEMARKS ONLY</b>		U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office			
To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.							
<b>1. Name of conveying party(ies):</b> Select Comfort Corporation, Select Comfort Retail Corporation, Select Comfort Direct Corporation, Select Comfort Sc Corporation, Direct Call Centers, Inc., Selectcomfort.Com.Corporation  <input type="checkbox"/> Individual(s) <input type="checkbox"/> Association <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input checked="" type="checkbox"/> Corporation-State <u>Minnesota</u> <input type="checkbox"/> Other _____  Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input type="checkbox"/> No			<b>2. Name and address of receiving party(ies):</b> Name: <u>Medallion Capital, Inc.</u> Internal Address: _____  Street Address: <u>7831 Glenroy Road, Suite 480</u>  City: <u>Minneapolis</u> State: <u>MN</u> Zip: <u>55439-3132</u>  <input type="checkbox"/> Individual(s) citizenship _____ <input type="checkbox"/> Association _____ <input type="checkbox"/> General Partnership _____ <input type="checkbox"/> Limited Partnership _____ <input checked="" type="checkbox"/> Corporation-State _____ <input type="checkbox"/> Other _____ If assignee is not domiciled in the United States, a domestic Representative designation is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
<b>3. Nature of conveyance:</b> <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____  Execution Date: <u>September 28, 2001</u>			<b>4. Application number(s) or registration number(s)</b>  <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <b>A. Trademark Application No.(s)</b>                78/043096    75/758569    75/922028    76/027592                76/027696    76/122213    78/026452    78026445             </td> <td style="width: 50%; vertical-align: top;"> <b>B. Trademark Registration No.(s)</b>                2,445,294    1,954,866    1,976,214    2,014,463                2,404,869    1,590,557    2,425,662    1,581,562             </td> </tr> </table> Additional number(s) attached <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			<b>A. Trademark Application No.(s)</b> 78/043096    75/758569    75/922028    76/027592 76/027696    76/122213    78/026452    78026445	<b>B. Trademark Registration No.(s)</b> 2,445,294    1,954,866    1,976,214    2,014,463 2,404,869    1,590,557    2,425,662    1,581,562
<b>A. Trademark Application No.(s)</b> 78/043096    75/758569    75/922028    76/027592 76/027696    76/122213    78/026452    78026445	<b>B. Trademark Registration No.(s)</b> 2,445,294    1,954,866    1,976,214    2,014,463 2,404,869    1,590,557    2,425,662    1,581,562						
<b>5. Name and address of party to whom correspondence concerning document should be mailed:</b> Name: <u>Bruce H. Little, Esq.</u>  Internal Address: <u>Blittle@Lindquist.Com</u>  Street Address: <u>4200 IDS Center</u> <u>80 South Eighth Street</u>  City: <u>Minneapolis</u> State: <u>MN</u> Zip: <u>55402-2205</u>			<b>6. Total number of applications and registrations involved: .....34</b>  <b>7. Total fee (37 CFR 3.41).....\$865</b>  <input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account  <b>8. Deposit account number:</b>  <u>500837</u> (Attach duplicate copy of this page if paying by deposit account)				
<b>DO NOT USE THIS SPACE</b>							
<b>9. Statement and signature</b> <i>To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.</i>  <u>Susan J. Lilyquist</u> _____ <u>10/18/2001</u> <div style="text-align: center;">Signature</div>							
Total number of pages including cover sheet, attachments, and document: 20							

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patent & Trademarks, Box Assignments  
 Washington, D.C. 20231

**TRADEMARK**

700008112

REEL: 002351 FRAME: 0144

**RECORDATION FORM COVERSHEET  
TRADEMARKS ONLY**

**Page 2:**

**Conveying parties:**

Select Comfort Corporation  
Select Comfort Retail Corporation  
Select Comfort Direct Corporation  
Select Comfort SC Corporation  
Direct call Centers, Inc.  
Selectcomfort.com corporation

**Receiving Party**

Medallion Capital, Inc.  
7831 Glenroy Road, Suite 480  
Minneapolis, MN 55439-3132

**A. Trademark Application No(s).**

78/034211  
78/034208  
75/560494  
78/043095  
78/043099  
78/043100  
78/054070  
78/043086  
78/043102

**B. Trademark Registration No(s).**

2,365,768  
2,371,668  
2,371,665  
2,433,884  
2,301,292  
2,042,605  
2,326,197  
2,149,899  
1,976,517

**PATENT AND TRADEMARK SECURITY AGREEMENT**

This Patent and Trademark Security Agreement is entered into as of September 28, 2001 by and among each of **Select Comfort Corporation**, a Minnesota corporation (the "Company"), and **Select Comfort Retail Corporation**, **Select Comfort Direct Corporation**, **Select Comfort SC Corporation**, **Direct Call Centers, Inc.**, and **selectcomfort.com corporation**, all of which are Minnesota corporations, (the "Subsidiaries") (the Company and the Subsidiaries being individually and collectively referred to herein as "Debtor"), and **Medallion Capital, Inc.** ("Secured Party").

Whereas, the execution and delivery of this Agreement is a condition to the Secured Party extending credit to Debtor;

Now, therefore, each Debtor jointly and severally agrees with Secured Party as follows:

1. **Definitions.** All terms defined in the Loan Agreement of even date herewith between the Debtor and Secured Party (the "Loan Agreement") which are not otherwise defined herein shall have the meanings stated in the Loan Agreement. In addition, the following terms have the meanings set forth below:

"Obligations" means each and every debt, liability and obligation of every type and description arising under or in connection with any Loan Document (as defined in the Loan Agreement) which the Debtor may now or at any time hereafter owe to the Secured Party, whether such debt, liability or obligation now exists or is hereafter created or incurred and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, independent, joint, several or joint and several.

"Patents" means all of the Debtor's right, title and interest in and to patents or applications for patents, fees or royalties with respect to each, and including without limitation the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing or hereafter arising or acquired, including without limitation the patents listed on Exhibit A and any divisions, continuations, continuations-in-part, reissues or corresponding foreign patents and patent applications.

"Trademarks" means all of the Debtor's right, title and interest in and to trademarks, service marks, collective membership marks, any registrations or applications for registration therefor, together with the respective goodwill associated with each, fees or royalties with respect to each, including without limitation the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on Exhibit B and any divisions or renewals thereof or corresponding foreign trademark registrations and applications.

2. **Security Interest.** The Debtor hereby irrevocably pledges and assigns to, and grants to the Secured Party a security interest, with power of sale to the extent permitted by law, (the "Security Interest") in the Patents and in the Trademarks to secure payment and performance of the Obligations. As set forth in greater detail in the Security Agreement, the Security Interest in the Trademarks is coupled with a security interest in substantially all of the assets (without regard to real property) of the Debtor.

3. **Representations, Warranties and Agreements.** The Debtor hereby represents, warrants and agrees as follows:

(a) ***Existence, Authority.*** The Debtor is a corporation, having full power to and authority to make and deliver this Agreement. The execution, delivery and performance of this Agreement by the Debtor have been duly authorized by all necessary action of the Debtor's board of directors, and if necessary its stockholders, and do not and will not violate the provisions of, or constitute a default under, any presently applicable law or its articles of incorporation or bylaws or any agreement presently binding on it. This Agreement has been duly executed and delivered by the Debtor and constitutes the Debtor's lawful, binding and legally enforceable obligation. The correct legal name of the Debtor is as set forth at the beginning of this Agreement. Except for any financing statement required to be filed under the applicable Uniform Commercial Code (the "UCC") and any filing or recording of this Agreement in the U.S. Patent and Trademark Office, the authorization, execution, delivery and performance of this Agreement do not require notification to, registration with, or consent or approval by, any federal, state or local regulatory body or administrative agency.

(b) ***Patents.*** All of the Patents identified in Exhibit A are owned or controlled by the Debtor as of the date hereof and the information in Exhibit A accurately reflects the existence and status of the Patents listed therein as of the date hereof.

(c) ***Trademarks.*** All of the Trademarks identified in Exhibit B are owned or controlled by the Debtor as of the date hereof and the information in Exhibit B accurately reflects the existence and status of Trademarks listed therein as of the date hereof.

(d) ***Title.*** Except as set forth in Exhibit C, the Debtor has absolute title to each Patent and each Trademark listed on Exhibits A and B, free and clear of all security interests, liens and encumbrances, except the Security Interest. Except as set forth in Exhibit C, the Debtor (i) will have, at the time the Debtor acquires ownership in Patents or Trademarks hereafter arising, absolute title to each such Patent or Trademark, free and clear of all security interests, liens and encumbrances, except the Security Interest, and (ii) except for licenses entered into hereafter in the ordinary course of business for fair consideration and which do not cause material harm to the Secured Party as holder of the Note, will keep all Patents and Trademarks free and clear of all security interests, liens and encumbrances except the Security Interest.

(e) **No Sale.** The Debtor will not sell or otherwise dispose of the Patents or Trademarks, or any interest therein, without the Secured Party's prior written consent, except (i) as permitted in Section 3(d)(ii) above, and (ii) sale or disposition of Patents or Trademarks that provide no material continuing benefit to Debtor.

(f) **Defense.** The Debtor will at its own expense, and using its best efforts, protect and defend the Patents and Trademarks against all claims or demands of all persons other than the Secured Party, which would cause material harm to the Secured Party.

(g) **Maintenance.** The Debtor will at its own expense maintain the Patents and the Trademarks to the extent reasonably advisable in its business including, but not limited to, filing all applications to register or obtain letters patent, file all affidavits and renewals, and pay all annuities and maintenance fees possible with respect to issued registrations and letters patent. The Debtor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent or Trademark (except for those that provide no material continuing benefit to Debtor), nor fail to file any required affidavit in support thereof, without first providing the Secured Party: (i) sufficient written notice to allow the Secured Party to timely pay any such maintenance fees or annuity or take such other action which may become due on any of said Patents or Trademarks, or to file any affidavit with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit, or take such other action, should such be necessary or desirable.

(h) **Secured Party's Right to Take Action.** If the Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after the Secured Party gives the Debtor written notice thereof (or, in the case of the agreements contained in subsection (g), immediately upon the occurrence of such failure, without notice or lapse of time), or if the Debtor notifies the Secured Party that it intends to abandon a Patent or Trademark, the Secured Party may (but need not) perform or observe such covenant or agreement on behalf and in the name, place and stead of the Debtor (or, at the Secured Party's option, in the Secured Party's own name) and may (but need not) take any and all other actions which the Secured Party may reasonably deem necessary to cure or correct such failure.

(i) **Costs and Expenses.** Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, the Debtor shall pay the Secured Party on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees) incurred by the Secured Party in connection with or as a result of the Secured Party's taking action under subsection (h) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by the Secured Party at the highest rate then applicable to any of the Obligations.

(j) **Power of Attorney.** To facilitate the Secured Party's taking action under subsection (h) and exercising its rights under Section 6, the Debtor hereby irrevocably appoints (which appointment is coupled with an interest) the Secured Party, or its delegate, as the attorney-in-fact of the Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of the Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by the Debtor under this Section 3, or, necessary for the Secured Party, after an Event of Default, to enforce or use the Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or Trademarks to any third party. The Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the payment and performance of all Obligations.

4. **Debtor's-Use of the Patents and Trademarks.** The Debtor shall be permitted to control and manage the Patents and Trademarks, including the right to exclude others from making, using or selling items covered by the Patents and Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs and remains unwaived or uncured.

5. **Events of Default.** Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): (a) a Default, as defined in the Loan Agreement, shall occur; or (b) the Debtor shall fail promptly (including any applicable grace period) to observe or perform any covenant or agreement herein binding on it; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.

6. **Remedies.** Upon the occurrence of an Event of Default and at any time thereafter during its continuance, the Secured Party may, at its option, take any or all of the following actions:

(a) The Secured Party may exercise any or all remedies available under the Loan Agreement.

(b) The Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents and Trademarks.

(c) The Secured Party may enforce the Patents and Trademarks and any licenses thereunder, and if the Secured Party shall commence any suit for such enforcement, the Debtor shall, at the request of the Secured Party, do any and all lawful acts and execute any and all proper documents required by the Secured Party in aid of such enforcement.

7. **Miscellaneous.** This Agreement and Secured Party's rights under this Agreement or under applicable law may be enforced by Secured Party, at its discretion, against any one or more of the parties referred to above which are encompassed within the term Debtor, without any need to bring any enforcement action against the other parties who are encompassed within the term Debtor. This Agreement has been duly and validly authorized by all necessary action, corporate or otherwise. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Secured Party. A waiver signed by the Secured Party shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of the Secured Party's rights or remedies. All rights and remedies of the Secured Party shall be cumulative and may be exercised singularly or concurrently, at the Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. The Secured Party shall not be obligated to preserve any rights the Debtor may have against prior parties, to realize on the Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Patents and Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of the Debtor and the Secured Party and their respective participants, successors and assigns and shall take effect when signed by the Debtor and delivered to the Secured Party, and the Debtor waives notice of the Secured Party's acceptance hereof. The Secured Party may execute this Agreement if appropriate for the purpose of filing, but the failure of the Secured Party to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement signed by the Debtor shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of Minnesota without regard to conflicts of law provisions. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

**THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.**

In Witness Whereof, the parties have executed this Patent and Trademark Security Agreement as of the date first written above.

**Select Comfort Corporation**

By: Mark A. Kimball  
Mark A. Kimball, Senior Vice President

**Medallion Capital, Inc.**

By: Dean R. Pickerell  
Dean R. Pickerell, Executive Vice President

**Select Comfort Retail Corporation**

By: Mark A. Kimball  
Mark A. Kimball, Senior Vice President

**Select Comfort Direct Corporation**

By: Mark A. Kimball  
Mark A. Kimball, Senior Vice President

**Select Comfort SC Corporation**

By: Mark A. Kimball  
Mark A. Kimball, Senior Vice President

**Direct Call Centers, Inc.**

By: Mark A. Kimball  
Mark A. Kimball, Senior Vice President

**selectcomfort.com corporation**

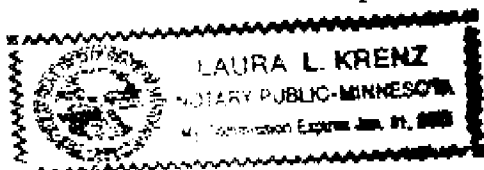
By: Mark A. Kimball  
Mark A. Kimball, Senior Vice President



STATE OF MINNESOTA    )  
                                      )  
COUNTY OF HENNEPIN    )

The foregoing instrument was acknowledged before me this 28<sup>th</sup> day of September, 2001, by Mark A. Kimball, the Senior Vice President of each of the foregoing Minnesota corporations, on behalf of each such corporation.

Notary Public

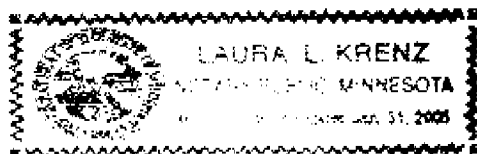


Mark A. Kimball

STATE OF MINNESOTA    )  
                                      )  
COUNTY OF HENNEPIN    )

The foregoing instrument was acknowledged before me this 28<sup>th</sup> day of September, 2001, by Dean R. Pickerell, the Executive Vice President of Medallion Capital, Inc.

Notary Public



Dean R. Pickerell

## Exhibit A - Patent Applications

<u>Country</u>	<u>Status</u>	<u>Appl Number</u>	<u>FIIDate</u>	<u>PatNumber</u>	<u>IssDate</u>	<u>Title</u>
VN	Published	S20000901	11-Mar-1999			SLEEPER SOFA WITH AN AIR MATTRESS
US	Pending	09/900,685	06-Jul-2001			BED FOUNDATION
US	Pending	60/296,668	07-Jun-2001			TALKING AIRBED
US	Pending	09/522,484	10-Mar-2000			SYSTEM AND METHOD FOR SLEEP SURFACE ADJUSTMENT
US	Pending	09/685,927	10-Oct-2000			AIR CONTROL SYSTEM FOR AN AIR BED
SG	Pending	20005040-1	11-Mar-1999			SLEEPER SOFA WITH AN AIR MATTRESS
NO	Pending	972011	18-Oct-1995			IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED
MX	Pending	00-8842	11-Mar-1999			SLEEPER SOFA WITH AN AIR MATTRESS
KR	Pending	97-702904	18-Oct-1995			IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED
KR	Pending	2000-7010083	11-Mar-1999			SLEEPER SOFA WITH AN AIR MATTRESS
JP	Pending	514868/1996	18-Oct-1995			IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED
JP	Pending	535246/2000	11-Mar-1999			SLEEPER SOFA WITH AN AIR MATTRESS
IN	Pending	2000/00190DEL	11-Mar-1999			SLEEPER SOFA WITH AN AIR MATTRESS
IL	Pending	127839	30-Dec-1998			IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED
EP	Published	99913858.9	11-Mar-1999			SLEEPER SOFA WITH AN AIR MATTRESS
EP	Pending	95940626.5	18-Oct-1995			IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED
EA	Pending	2000000925	11-Mar-1999			SLEEPER SOFA WITH AN AIR MATTRESS
CZ	Pending	PV1319-97	18-Oct-1995			IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED
CN	Pending	95196847.5	18-Oct-1995			IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED
CN	Published	99804721.X	11-Mar-1999			SLEEPER SOFA WITH AN AIR MATTRESS
CA	Pending	2204260	18-Oct-1995			IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED
CA	Pending	2232657	19-Sep-1996			INFLATABLE MATTRESS WITH IMPROVED BORDER SUPPORT WALL
CA	Pending	2035718	05-Feb-1991			KNOCK-DOWN BED FOUNDATION
CA	Pending	2243942	28-Jul-1998			IMPROVED VALVE ENCLOSURE ASSEMBLY
CA	Pending	2323108	11-Mar-1999			SLEEPER SOFA WITH AN AIR MATTRESS
BR	Pending	PI990.8678-6	11-Mar-1999			SLEEPER SOFA WITH AN AIR MATTRESS
AU	Pending	31840/99	11-Mar-1999			SLEEPER SOFA WITH AN AIR MATTRESS

TRADEMARK

REEL: 002351 FRAME: 0153

## Exhibit A - Registered Patents

<u>Country</u>	<u>Status</u>	<u>App/Number</u>	<u>FileDate</u>	<u>PatNumber</u>	<u>IssDate</u>	<u>Title</u>
US	Granted	07/016,566	19-Feb-1987	4766628	30-Aug-1988	AIR MATTRESS WITH FILLER CHECK VALVE AND CAP THEREFOR
US	Granted	08/332,833	01-Nov-1994	5509154	23-Apr-1996	AIR CONTROL SYSTEM FOR AN AIR BED
US	Granted	08/279,120	22-Jul-1994	5564140	15-Oct-1996	FRAME ASSEMBLY FOR SUPPORTING A MATTRESS
US	Granted	07/461,304	05-Jan-1990	4991244	12-Feb-1991	BORDER FOR AIR BED
US	Granted	07/807,232	16-Dec-1991	5170522	15-Dec-1992	AIR ADJUSTABLE BED
US	Granted	07/620,553	03-Dec-1990	5144706	08-Sep-1992	BED FOUNDATION
US	Granted	07/325,937	20-Mar-1989	4908895	20-Mar-1990	AIR MATTRESS
US	Granted	07/291,987	30-Dec-1988	D313,973	22-Jan-1991	HAND-HELD CONTROL UNIT FOR THE OPERATION OF AN INFLATABLE AIR MATTRESS
US	Granted	07/096,932	14-Sep-1987	4829616	16-May-1989	AIR CONTROL SYSTEM FOR AIR BED
US	Granted	09/257,404	25-Feb-1999	6202239	20-Mar-2001	MULTI-ZONE SUPPORT
US	Granted	07/001,898	09-Jan-1987	4788729	06-Dec-1988	AIR MATTRESS WITH AUDIBLE PRESSURE RELIEF VALVE
US	Granted	07/859,866	02-May-1986	4897890	06-Feb-1990	AIR CONTROL SYSTEM FOR AIR BED
US	Granted	06/660,537	12-Oct-1984	D300,194	14-Mar-1989	AIR MATTRESS
US	Granted	29/030,552	01-Nov-1994	D368,475	02-Apr-1996	HAND HELD REMOTE CONTROL UNIT
US	Granted	08/536,330	29-Sep-1995	5652484	29-Jul-1997	AIR CONTROL SYSTEM FOR AN AIR BED
US	Granted	09/266,392	11-Mar-1999	6108844	29-Aug-2000	AIR MATTRESS FOR A SLEEPER SOFA
US	Granted	09/266,540	11-Mar-1999	6161231	19-Dec-2000	SLEEPER SOFA WITH AN AIR MATTRESS
US	Granted	09/253,572	19-Feb-1999	6037723	14-Mar-2000	AIR CONTROL SYSTEM FOR AN AIR BED
US	Granted	08/901,144	28-Jul-1997	5904172	18-May-1999	VALVE ENCLOSURE ASSEMBLY
US	Granted	08/827,397	27-Mar-1997	5903941	18-May-1999	AIR CONTROL SYSTEM FOR AN AIR BED
US	Granted	08/782,058	13-Jan-1997	5765246	16-Jun-1998	INFLATABLE MATTRESS WITH IMPROVED BORDER SUPPORT WALL
US	Granted	07/304,172	31-Jan-1989	4890344	02-Jan-1990	AIR CONTROL SYSTEM FOR AIR BED
US	Granted	08/538,404	19-Sep-1995	5642546	01-Jul-1997	INFLATABLE MATTRESS WITH IMPROVED BORDER SUPPORT WALL
TW	Granted	84111830	08-Nov-1995	83234	28-Apr-1997	IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED
SG	Granted	9610720-6	28-Sep-1996	71001	20-Mar-2001	IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED
NZ	Granted	297205	18-Oct-1995	297205	08-Jul-1999	IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED
NZ	Granted	334239	17-Feb-1999	334239	08-Mar-2001	IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED
MX	Granted	9703190	18-Oct-1995	194151	18-Nov-1999	IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED
IL	Granted	115759	25-Oct-1995	115759	02-Apr-2000	AUTOMATIC AIR CONTROL SYSTEM FOR AN AIR BED
FR	Granted	952481	26-Apr-1995	952481	26-Apr-1995	DESIGN FOR HAND HELD REMOTE CONTROL UNIT

TRADEMARK

REEL: 002351 FRAME: 0154

<u>Country</u>	<u>Status</u>	<u>AppINumber</u>	<u>FileDate</u>	<u>PatINumber</u>	<u>IssDate</u>	<u>Title</u>
CA	Granted	515918	13-Aug-1986	1277783	11-Dec-1990	AIR MATTRESS WITH FILLER CHECK VALVE ASSEMBLY
CA	Granted	467284	07-Nov-1984	1245379	22-Nov-1988	FLUID ACCOMMODATING APPARATUS
CA	Granted	602695	13-Jun-1989	1324841	30-Nov-1993	AIR MATTRESS
CA	Granted	2060996	11-Feb-1992	2060996	19-Sep-2000	AIR ADJUSTABLE BED
CA	Granted	2012550	19-Mar-1990	2012550	09-Mar-1999	BORDER FOR AIR BED
CA	Granted	598824	05-May-1989	1320717	27-Jul-1993	AIR CONTROL SYSTEM FOR AIR BED
AU	Granted	1298/1995	01-May-1995	125320	22-Nov-1995	DESIGN FOR HAND HELD REMOTE CONTROL UNIT
AU	Granted	61961/98	18-Oct-1995	705663	02-Sep-1999	IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED
AU	Granted	51371/96	18-Oct-1995	692687	05-Nov-1998	IMPROVED AIR CONTROL SYSTEM FOR AN AIR BED

## Exhibit B - Registered Trademarks

<u>TrademarkName</u>	<u>Country</u>	<u>Status</u>	<u>AppNumber</u>	<u>FileDate</u>	<u>RegNumber</u>	<u>RegDate</u>
SELECT COMFORT & DESIGN	ZA	Registered	95/12092	13-Sep-95	95/12092	02-Jun-95
SELECT COMFORT	ZA	Registered	95/12091	13-Sep-95	95/12091	04-Sep-98
SOFT-TOP	US	Registered	75/589,066	16-Nov-98	2445294	17-Apr-01
NO COUNTING SHEEP LOGO	US	Registered	74/645,375	13-Mar-95	1954866	06-Feb-96
SELECT COMFORT	US	Registered	74/645,357	13-Mar-95	1976214	28-May-96
SLEEP INSURANCE	US	Registered	74/646,234	13-Mar-95	2014463	05-Nov-96
SITS LIKE A SOFA, SLEEPS LIKE A BED	US	Registered	75/741,670	25-Jun-99	2404869	14-Nov-00
SELECT COMFORT	US	Registered	73/818,656	11-Aug-89	1590557	10-Apr-90
BELADOR	US	Registered	75/617,121	07-Jan-99	2425662	30-Jan-01
SELECT COMFORT	US	Registered	73/785,220	07-Mar-89	1581562	06-Feb-90
SLEEPTEC	US	Registered	75/557,243	23-Sep-98	2365768	11-Jul-00
LUXFOR	US	Registered	75/552,198	10-Sep-98	2371668	25-Jul-00
LUXFOR	US	Registered	75/551,785	10-Sep-98	2371665	25-Jul-00
AIRGONOMICS	US	Registered	75/495,894	04-Jun-98	2433884	06-Mar-01
SLEEP BETTER ON AIR	US	Registered	75/399,068	02-Dec-97	2301392	21-Dec-99
COMFORT CLUB	US	Registered	74/530,831	31-May-94	2042605	11-Mar-97
SLEEP BETTER ON AIR	US	Registered	75/649,219	26-Feb-99	2326197	07-Mar-00
SLEEP NUMBER	US	Registered	75/247,611	25-Feb-97	2149899	07-Apr-98
SELECT COMFORT & DESIGN	US	Registered	74/683,301	02-Jun-95	1976517	28-May-96
SELECT COMFORT & DESIGN	TW	Registered	84053854	28-Oct-95	738047	01-Dec-96
SELECT COMFORT	TW	Registered	84053853	28-Oct-95	738020	01-Dec-96
SELECT COMFORT	RU	Registered	93026620	08-Jun-93	127374	16-Jun-95
SELECT COMFORT	NO	Registered	92,402	11-Aug-92	165583	24-Nov-94
SELECT COMFORT & DESIGN	NO	Registered	19955698	14-Sep-95	196403	10-Mar-99
SELECT COMFORT & DESIGN	MX	Registered	243047	13-Sep-95	543503	28-Feb-97
SELECT COMFORT	MX	Registered	243048	13-Sep-95	515344	29-Jan-96
SELECT COMFORT & DESIGN	KR	Registered	95-44820	27-Nov-95	392480	23-Jan-98
SELECT COMFORT IN JAPANESE (KATAKANA)	JP	Registered	71875/93	02-Jul-93	4291185	09-Jul-99
SELECT COMFORT IN KATAKANA & DESIGN	JP	Registered	043828/1995	27-Apr-95	4290800	02-Jul-99
SELECT COMFORT & DESIGN	JP	Registered	043827/1995	27-Apr-95	4290799	02-Jul-99
SELECT COMFORT (STYLIZED)	JP	Registered	04-136476/92	07-Jul-92	4218654	11-Dec-98

TRADEMARK

REEL: 002351 FRAME: 0156

<u>TrademarkName</u>	<u>Country</u>	<u>Status</u>	<u>ApplNumber</u>	<u>FileDate</u>	<u>RegNumber</u>	<u>RegDate</u>
SELECT COMFORT	IT	Registered	RM93C001651	20-May-93	660544	17-Oct-95
SELECT COMFORT & DESIGN	IT	Registered	MI95C 012025	30-Nov-95	733670	14-Nov-97
SELECT COMFORT & DESIGN	IL	Registered	100962	22-Sep-95	100962	08-May-97
SELECT COMFORT & DESIGN	IE	Registered	95/7370	23-Oct-95	172056	23-Oct-95
SELECT COMFORT	IE	Registered	93/1570	16-Apr-93	B157043	16-Aug-95
SELECT COMFORT & DESIGN	HU	Registered	M9502628	18-Sep-95	149027	18-Sep-95
SELECT COMFORT	HU	Registered	M9302423	19-May-93	138769	12-Sep-96
SELECT COMFORT & DESIGN	HK	Registered	11488/1995	13-Sep-95	B6490/1999	02-Jun-95
SELECT COMFORT & DESIGN	GB	Registered	2040419	05-Oct-95	2040419	05-Jul-96
SELECT COMFORT	GB	Registered	1528905	08-Mar-93	B1528905	08-Mar-93
SELECT COMFORT	FR	Registered	93/477682	23-Jul-93	93/477682	07-Jan-94
SELECT COMFORT & DESIGN	FR	Registered	95/589462	25-Sep-95	95/589462	23-Aug-96
SELECT COMFORT & DESIGN	FI	Registered	6816/95	23-Nov-95	204298	31-Jan-97
SELECT COMFORT	FI	Registered	3865/92	10-Aug-92	134433	20-Oct-94
SELECT COMFORT & DESIGN	EU	Registered	336420	31-Jul-96	336420	10-Jul-98
SELECT COMFORT	EU	Registered	336479	31-Jul-96	336479	08-Dec-98
AIRGONOMICS	EU	Registered	1005909	01-Dec-98	1005909	27-Mar-00
SLEEPTEC	EU	Registered	1043330	15-Jan-99	1043330	12-Sep-00
LUXFOR	EU	Registered	929455	14-Sep-98	929455	17-Mar-00
SELECT COMFORT & DESIGN	DK	Registered	VA071401995	22-Sep-95	VR024661996	19-Apr-96
SELECT COMFORT (BLOCK FORM)	DK	Registered	VA025031993	16-Apr-93	VR019351995	24-Mar-95
SELECT COMFORT (STYLIZED)	DK	Registered	VA041051993	24-Jun-93	VR019361995	24-Mar-95
SELECT COMFORT & DESIGN	CZ	Registered	0-105107	23-Oct-95	205384	21-Nov-97
SELECT COMFORT	CZ	Registered	0-80058	18-May-93	187476	25-Jan-96
SELECT COMFORT	CA	Registered	638752	17-Aug-89	375518	09-Nov-90
SELECT COMFORT & DESIGN	CA	Registered	797954	22-Nov-95	504986	03-Dec-98
SELECT COMFORT & DESIGN	BX	Registered	859910	22-Nov-95	589393	02-Dec-96
SELECT COMFORT	BX	Registered	804892	15-Oct-93	541901	01-Sep-94
SLEEP NUMBER	AU	Registered	868055	05-Mar-01	868055	05-Mar-01
SELECT COMFORT	AR	Registered	1999941	13-Sep-95	1696789	23-Oct-98
SELECT COMFORT & DESIGN	AR	Registered	1999940	13-Sep-95	1608546	29-Jul-96

## Exhibit B - Pending Trademark Applications

TrademarkName	Countr	Status	ApplNumber	FileDate
EUROLOFT	US	Pending	78/043,096	13-Jan-01
SANCTUARY	US	Allowed	75/758,569	23-Jul-99
BEDS.COM	US	Pending	75/922,028	17-Feb-00
SELECT COMFORT SOFA SLEEPFAIRE	US	Pending	76/027,592	12-Apr-00
SELECT COMFORT SOFA SLEEPFAIRE COLLECTION	US	Pending	78/027,696	12-Apr-00
SLEEP NUMBER	US	Pending	76/122,213	05-Sep-00
SLEEP NUMBER	US	Published	78/026,452	18-Sep-00
SLEEP NUMBER	US	Pending	78/026,445	18-Sep-00
THE SLEEP NUMBER STORE BY SELECT COMFORT (STYLIZED)	US	Pending	78/034,211	07-Nov-00
THE SLEEP NUMBER BED BY SELECT COMFORT (STYLIZED)	US	Pending	78/034,208	07-Nov-00
BAR and Design	US	Allowed	75/560,494	28-Sep-98
LUXLOFT	US	Pending	78/043,095	13-Jan-01
DUOLOFT	US	Pending	78/043,099	13-Jan-01
THERMO-CORE	US	Pending	78/043,100	13-Jan-01
THERMO-FOAM	US	Published	78/054,070	20-Mar-01
DUALITY	US	Pending	78/043,086	13-Jan-01
SLUMBERLOFT	US	Pending	78/043,102	13-Jan-01
SLEEP NUMBER	MX	Pending	474099	05-Mar-01
SLEEP NUMBER	MX	Pending	474098	05-Mar-01
SLEEP NUMBER	JP	Published	2001-19204	05-Mar-01
SLEEP NUMBER	IL	Pending	147131	04-Mar-01
SLEEP NUMBER	IL	Pending	147128	06-Mar-01
SLEEP NUMBER	IL	Pending	147129	06-Mar-01
SLEEP NUMBER	EU	Pending	2116408	05-Mar-01
THE SLEEP NUMBER BED BY SELECT COMFORT & DESIGN	EU	Pending	2208106	07-May-01
THE SLEEP NUMBER STORE BY SELECT COMFORT & DESIGN	EU	Pending	2207710	07-May-01
BELADOR	EU	Published	1064054	03-Feb-99
THERMO-FOAM	EU	Pending	Not Yet Available	20-Sep-01
SLEEP NUMBER	CA	Pending	1094806	05-Mar-01

TRADEMARK

REEL: 002351 FRAME: 0158

Exhibit B - Pending Trademark Applications

TrademarkName	Countr	Status	ApplNumber	FileDate
THE SLEEP NUMBER BED BY SELECT COMFORT & DESIGN	CA	Pending		07-May-01
THE SLEEP NUMBER STORE BY SELECT COMFORT & DESIGN	CA	Pending		07-May-01
THE AIR BED COMPANY	CA	Published	1026976	25-Aug-99
BEDS.COM	CA	Pending	1071484	17-Aug-00
THERMO-FOAM	CA	Pending	Not Yet Available	18-Sep-01



## **EXHIBIT C**

### **Patent and Trademark Security Agreement**

Licenses: None

Security Interest, Liens and Encumbrances: Select is party to a Patent and Trademark Security Agreement dated June 6, 2001 and other documents related to that certain Note Purchase Agreement dated June 1, 2001.

TC3: 780100 v01 09/28/2001

**RECORDED: 10/18/2001**

**TRADEMARK**  
**REEL: 002351 FRAME 0160**  
\*\*\* TO PC PAGE 18 \*\*\*